

Message Text

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RSC-01 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-02

H-02 INR-10 INT-08 L-03 LAB-06 NSAE-00 NSC-10 PA-03

AID-20 CIEP-02 SS-15 STR-08 TAR-02 TRSE-00 USIA-12

PRS-01 OMB-01 RSR-01 /220 W
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FM USMISSION GENEVA

TO SECSTATE WASHDC 9093

INFO USMISSION NY

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UNCLAS SECTION 1 OF 2 GENEVA 2024

E. O. 11652: N/A

TAGS: ETRD, UNCTAD

SUBJECT: UNCTAD: TDB REVIEW AND APPRAISAL, APRIL 30 PLENARY

BEGIN SUMMARY: DEVELOPING COUNTRIES CONTINUED PATTERN
OF HIGHLIGHTING PESSIMISTIC ASPECTS OF SECRETARIAT'S
REPORT WHILE DEVELOPED COUNTRIES ATTEMPTED TO BALANCE
THE RECORD. END SUMMARY

1. THE PHILIPPINES. AMBASSADOR BRILLIANTES, FORMER
PRESIDENT OF THE BOARD AND SPOKESMAN FOR THE ASIAN
GROUP, PRESENTED THE PHILIPPINE VIEWS. IN GENERAL HE TOOK
RELATIVELY BALANCED VIEW ON WHAT HAS BECOME MAJOR ISSUE-- HAS
THERE BEEN SUCCESS OR FAILURE IN ACHIEVING TARGETS OF STRATEGY.
AFTER REVIEWING OBSTACLES SUCH AS NATURAL DISASTERS KEEPING
LDC PERFORMANCE UNDER TARGETS, HE ASKED DEVELOPED
COUNTRIES TO REMOVE RESERVATIONS TO THE STRATEGY, SO AS
TO ENABLE DROPPING PHRASE "AS ADOPTED," WHICH HE
CHARACTERIZED AS MAJOR OBSTACLE TO STRATEGY'S SUCCESS.
HE SUGGESTED FORM OF TDB REVIEW AND APPRAISAL SHOULD CONSIST
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OF (A) GENERAL FACTUAL STATEMENT, INCLUDING RECENT TRENDS, (B) IDENTIFICATION OF PITFALLS AND FAILURES IN IMPLEMENTING STRATEGY, (C) SUGGESTIONS FOR REMEDIES AND (D) INSTRUCTIONS FOR MID- TERM REVIEW. HE PROPOSED NEXT UNCTAD CONFERENCE PARTICIPATE IN THE MID- TERM REVIEW, REQUIRING A DECISION BY UNGA EITHER TO MOVE UNCTAD IV UP TO 1975 OR POSTPONEMENT OF MID- TERM REVIEW TO 1976. HE WANTED A DECISION SO THAT THE GROUP OF 77 COULD MAKE PLANS FOR THEIR MEETING TO BE HELD IN ASIA.

OUR INITIAL VIEW IS TO OPPOSE THE PROPOSAL,

2. HUNGARY GAVE A MODERATE SPEECH MAINLY DESCRIBING ITS TRADE PROMOTION (I. E. PURCHASING) ACTIVITIES IN DEVELOPING COUNTRIES. ITS REPRESENTATIVE STRESSED THAT IN NO CASE HAS IT INSISTED ON BILATERAL PAYMENT ARRANGEMENTS AND THAT IT HAS BEEN WILLING TO MULTILATERALIZE AT REQUEST OF LDC PARTNER. HE GAVE USUAL COMMUNIST ENDORSEMENT OF DISARMAMENT AS A WAY TO FACILITATE DEVELOPMENT. NOTING PHILIPPINE REFERENCE TO OBLIGATIONS OF DEVELOPED COUNTRIES, BOTH MARKET AND SOCIALIST, HE STRESSED THAT SOCIALIST COUNTRIES OF EASTERN EUROPE SHOULD NOT BE CONSIDERED ON SAME BASIS AS FORMER COLONIAL POWERS.

3. GREECE' S REPRESENTATIVE LAMENTED DISTRUST IN THE WORLD AND ENORMOUS AMOUNTS SPENT ON ARMAMENTS. HE CITED LOW LEVELS OF EDUCATION AS MAJOR FACTOR IN RETARDING DEVELOPMENT, WHICH ALSO RELATED TO POPULATION GROWTH. HE NOTED GREECE HAS OBTAINED NEW TECHNOLOGY THROUGH SYSTEMATICALLY ENCOURAGING CAPITAL INVESTMENT. BY NEGOTIATING TERMS AND CONDITIONS GREECE DOES NOT ALLOW FOREIGN DOMINATION. HE SUGGESTED A CAREFUL EXAMINATION OF THE PHILIPPINE PROPOSALS ON THE MID- TERM REVIEW.

4. BELGIUM' S DELEGATE CHARACTERIZED THE PROCEEDINGS AS DEBATE WITHOUT DIALOGUE. AFTER CITING HIS COUNTRY' S FULFILLMENT OF MOST STRATEGY TARGETS, DECRIED TENDENCY OF CERTAIN DELEGATIONS TO SPLIT COUNTRIES INTO GOOD GUYS AND BAD GUYS AS IN THE OLD WESTERNS OR CHILDREN' S STORIES. HE STRESSED ALL COUNTRIES MUST TAKE ACTIONS TO MEET THE DEVELOPMENT TARGETS.

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5. ETHIOPIA' S REPRESENTATIVE EXPRESSED APPRECIATION THAT MOST DELEGATIONS RECOGNIZE THAT LEAST DEVELOPED COUNTRIES FACED SERIOUS PROBLEMS. HE STRESSED, HOWEVER, THESE COUNTRIES FACE DIFFERENT TYPES OF PROBLEMS. SOME HAVE WATER PROBLEMS, OTHERS DON' T. SOME IMPORT FOOD, WHILE OTHERS DON' T. HE EMPHASIZED NEED FOR ALL OF THEM

TO EXPORT AGRICULTURAL AND SEMI- PROCESSED MATERIALS. HE
KEEPS HEARING DEVELOPED COUNTRIES ARE PREPARED TO HELP
THE LEAST DEVELOPED, BUT HE DOES NOT UNDERSTAND WHY
DEVELOPED COUNTRIES DO NOT REMOVE BARRIERS TO SUCH
PRODUCTS FORTHWITH.

6. INDONESIA BRIEFLY REVIEWED PROGRESS IN ASIA DURING PAST
SIX YEARS. ITS REPRESENTATIVE EXPRESSED APPRECIATION
FOR THE COOPERATION IN EASING INDONESIA' S DEBT BURDEN
AND STRESSED THAT LOWERING BARRIERS TO INTERNATIONAL
TRADE WOULD BE THE MAJOR MEANS OF ASSISTING ITS DEVELOP-
MENT IN COMING YEARS.

7. JAPAN' S DELEGATE IN A CAREFULLY PHRASED PRESENTATION
STATED HIS GOVERNMENT CONTRIBUTIONS TO THE STRATEGY
ARE ALREADY ON RECORD. HE STRESSED THAT THE DEVELOPING
COUNTRIES SHOULD MOBILIZE THEIR RESOURCES EFFECTIVELY AND
SUGGESTED THAT THE EXPERIENCE OF SUCCESSFUL DEVELOPING
COUNTRIES COULD BE SHARED.

8. ALGERIA TOLD OF ITS AGRICULTURAL PROGRAMS AND
ADMINISTRATIVE REFORMS AND EMPHASIZED THE IMPORTANCE OF
SUCH ACTIONS AS LOWERING TRADE BARRIERS AND IMPLEMENTING
THE " LINK." BASSIN

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9. UNITED KINGDOM. MISS WARBURTON, THE UK REPRESENTATIVE, MADE CAREFUL CASE TO BALANCE PESSIMISTIC THRUST OF SECRETARIAT DOCUMENT AND LDC SPEECHES. SHE NOTED THAT LESS THAN ONE-FOURTH OF GROUP OF 77 HAD SUBMITTED REPLIES TO REVIEW AND APPRAISAL QUESTIONNAIRE. SHE STATED DEVELOPING COUNTRIES HAD THE PRIMARY RESPONSIBILITY IN SUCH AREAS AS POPULATION, INCOME DISTRIBUTION, DEBT MANAGEMENT, EMPLOYMENT, AGRICULTURAL PRODUCTION, ETC. SHE SAID THAT CONSENSUS ON THE STRATEGY IS IMPORTANT BECAUSE SOVEREIGN GOVERNMENTS TAKE ACTION ONLY WHEN CONVINCED. SHE SAID THAT UK RESERVATIONS ON STRATEGY MUST STAND. SHE ADDED IF CHANGES ARE MADE IN THE STRATEGY THAT WOULD ADD TO THE RESERVATIONS, THIS WOULD WEAKEN ITS IMPACT. SHE URGED THE BOARD NOT TO ALIENATE PEOPLES AND GOVERNMENTS IN THE DEVELOPED/ COUNTRIES BY IGNORING PAST ACHIEVEMENTS OR PUTTING ON SHOULDERS OF DEVELOPED COUNTRIES WHAT STRATEGY ASSIGNED TO LDCS. IN REGARD TO "THE LINK" SHE SAID QUOTE I CAN BE QUITE BRIEF ON ANOTHER PLUS IN OUR BALANCE SHEET, NAMELY THE QUESTION OF THE ESTABLISHMENT OF A LINK BETWEEN SDRS AND DEVELOPMENT AID. THE UNITED KINGDOM BELIEVES THAT ANY UNCLASSIFIED UNCLASSIFIED

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LINK SHOULD BE CONSISTENT WITH GENERAL INTERNATIONAL MONETARY REFORM, SHOULD NOT BE INFLATIONARY, AND SHOULD NOT LEAD TO THE CREATION OF SDRS AT A LEVEL WHICH PRUDENT, INTERNATIONALLY-AGREED JUDGEMENT WOULD REGARD AS INAPPROPRIATE. PROVIDED THESE CONDITIONS ARE MET, THE UNITED KINGDOM WILL BE IN FAVOUR OF PROVIDING SOME KIND OF LINK WITHIN THE CONTEXT OF GENERAL INTERNATIONAL MONETARY REFORM. END QUOTE

10. SRI LANKA DELEGATE MADE A LONG REBUTTAL OF PREVIOUS SPEAKERS WHO HAD DISAGREED WITH PESSIMISM OF SECRETARIAT REPORT. HE POINTED OUT THAT 70 OF 98 DEVELOPING COUNTRIES HAD NOT ATTAINED 6 PERCENT GNP INCREASE AS TARGETED IN STRATEGY. MOREOVER, HE SAID, THIS TARGET IS NOT SACROSANCT, AND NOTED THE STRATEGY RECOGNIZED POSSIBILITY OF RAISING TARGET IN MID-TERM REVIEW. HE CLAIMED SRI LANKA WAS LEFT OUT OF DEVELOPMENT ASSISTANCE BECAUSE IT IS NOT OF STRATEGIC IMPORTANCE OR DOES NOT EXPORT ENERGY. HE CITED NEW CALL FOR ATLANTIC PACT AS EVIDENCE OF DISREGARD FOR LDCS.

11. BRAZIL SAID WITH FEW EXCEPTIONS LDC SITUATION STILL BASICALLY SAME AS IT WAS IN 1970-- OR FOR THAT MATTER IN 1960-- AND CASUAL RELATIONSHIP BETWEEN LDCS' LACK OF PROGRESS AND DC FAILURE TO IMPLEMENT MANY POLICY MEASURES WAS QUOTE REASONABLE HYPOTHESIS UNQUOTE. CITING BRAZIL'S OWN PROGRESS (WHICH EXCEEDS MOST OF STRATEGY'S GOALS) DEL CLAIMED RECORD COULD HAVE BEEN EVEN BETTER, WITH LESS SACRIFICE, HAD

DCS PERFORMED AS THEY SHOULD HAVE. CALLED FOR INTER-
ACTION BETWEEN STRATEGY AND PROCESS OF TRADE AND MONETARY
REFORM WITH EYE TO REVISION OF STRATEGY AT MID- TERM
REVIEW. HE ALSO SAID THE COMING MTN WOULD PROVIDE AN
EXCELLENT CHANCE TO UPDATE THE RULES OF TRADE. BASSIN

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